IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY APPLICATION No. 235 of 2007

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the Civil Judge?

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G.E. INDIA INDUSTRIAL PRIVATE LIMITED - Applicant(s)
Versus
. - Respondent(s)

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Appearance :
NANAVATI ASSOCIATES for Applicant(s) : 1,
None for Respondent(s) : 1,

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CORAM : HONOURABLE MR.JUSTICE M.R. SHAH

Date : 11/05/2007

ORAL JUDGMENT

Draft amendment allowed.

1. Present Judges' Summons has been taken out

by the applicant – G.E.India Industrial Private Limited (Transferor Company) for an appropriate order of dispensing with the requirement of convening and holding of meeting of Equity Shareholders and Preference Shareholders of the applicant Company for the purpose of considering, and if thought fit, approving with or without modification(s) the Scheme of Arrangement and Demerger of the applicant Company with Enduring Plastics Private Limited (Transferee Company). It is also further prayed by the applicant Company for an appropriate order of convening meetings of Secured Creditors and Unsecured Creditors of the Applicant Company for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement and Demerger of the Applicant Company with Enduring Plastics Private Limited.

2. Shri K.S.Nanavati, learned Senior Advocate appearing on behalf of the applicant Company has drawn the attention of this Court to Page Nos. 155 to 182 (Annexure – F- 1, Colly.) and also to Page Nos. 184 to 188 (Annexure – G-1, Colly.) and has submitted that all the Equity Shareholders as well as

Preference Shareholders of the applicant Company have given in writing their consent letters approving proposed scheme of arrangement and demerger between the Transferor Company and the Transferee Company. Shri K.S.Nanavati, learned Senior Advocate appearing on behalf of the applicant Company has further submitted that so far as one of the Equity Shareholders of the applicant -Company i.e. M/s. Druck Messtchnik GmbH, incorporated and registered in Germany, is concerned, they were original shareholder, however, the name of the said Equity Shareholder has been subsequently changed to G.E.Sensing GmbH with effect from 26.09.2006. It is further submitted that the said Equity Shareholder has granted approval and consent in the new name to the present Scheme of Amalgamation and has also granted consent for the purpose of seeking dispensation from this Court, from the requirement of convening meeting of Equity Shareholder of the Company. A copy of the certificate issued by the competent authority for the purpose of change of name of M/s. Druck Messtechnik GmbH to M/s. G.E.Sensing GmbH is produced at (Annexure -H) to the application.

Thus having procured and produced written consent of all the Equity Shareholders in the proposed Scheme of amalgamation, it is requested to dispense with the meeting as required under Section 391(2) of the Companies Act, 1956.

3. Having procured and produced written consent and approval of the all the Equity Shareholders as well as Preference Shareholders to the proposed scheme of arrangement and demerger between the G.E.India Industrial Private Limited and Enduring Plastics Private Limited, and considering Para 13.1 of the application, the meeting of Equity Shareholders as well as Preference Shareholders of the applicant Company for the purpose of considering and if thought fit, approving with or without modification(s) the proposed scheme of arrangement and demerger of the applicant Company with Transferee Company as required under Section 391(2) of the Companies Act, 1956 are hereby dispensed with.

4. So far as the prayer of the applicant Company to convene meeting of the Secured Creditors and Unsecured Creditors of the applicant Company to

consider proposed scheme of arrangement and demerger is concerned, upon the application of the Applicant Company above named by Summons for Directions dated 4th May, 2007, and upon hearing Shri K.S.Nanavati, Senior Advocate with Shri Nandish Chudgar for Nanavati Advocates, Advocates for the applicant Company and upon reading the Affidavit of Mr. Chandan Jain, Director of the Applicant Company, affirmed on 5th May, 2007 and the Exhibits referred therein, it is ordered :

(a) That separate meeting of the Secured Creditors of the Applicant Company shall be convened and held on Thursday, the 28th June day of June, 2007 at the Hotel Taj Residency, Akota Gardens, Baroda-20 at 10.30 a.m. as directed by the Hon'ble Court for the purpose of considering and if thought fit approving with or without modifications, the scheme of Arrangement and Demerger between the applicant Company and Enduring Plastics Private Limited (“Transferee Company”).

(b) That separate meeting of the Unsecured Creditors of the Applicant Company shall be convened and held on Thursday, the 28th Day of June, 2007 at Hotel Taj Residency, Akota Gardens, Baroda – 20 at 11.30 a.m. for the purpose of considering and if thought fit approving with or without modifications, the Scheme of Arrangement and Demerger between the Applicant Company and Enduring Plastics Private Limited (Transferee Company).

(c) That at least 21 clear days before the meetings to be held as aforesaid, notices convening the said meeting, indicating the day, the date, the place and the time as aforesaid, together with a copy of the Scheme of Arrangement and Demerger, copy of the Explanatory Statement required to be sent under Section 393 of the Companies Act, 1956 and the prescribed form of proxy shall be sent under certificate of posting (U.C.P.), addressed to each of the equity shareholders, preference shareholders, secured creditors and unsecured creditors of

the applicant Company at their last known address.

(d) That at least 21 clear days before the meeting to be held as aforesaid, notices convening the said meeting indicating the day, the date and the place and time as aforesaid be published, once each in The Times of India (Ahmedabad Edition) and the Gujarati translation thereof in Gujarat Samachar (Ahmedabad Edition), stating that copies of the Scheme of Arrangement and Demerger, the Explanatory Statement required to be furnished pursuant to Section 393 of the Companies Act, 1956 and form of proxy can be obtained free of charge at the registered office of the applicant – Company and/or at its Advocates Office at M/s. Nanavati Associates, 41, Premier House, Opp. Gurudwara, Near S.G.Highway, Bodakdev, Ahmedabad – 380054, Gujarat.

(e) That Mr.Badal Bagri, Director of the Applicant Company and in his absence Mr. Chandan Jain, Director of the Applicant

Company shall be the Chairman of the meeting of the Equity Shareholders, preference shareholders, secured creditors and the unsecured creditors of the applicant Company to be held on Thursday, the 28th Day of June, 2007 or at any adjournment or adjournments thereof.

(f) That the Chairman(s) appointed for the aforesaid meeting do issue advertisements and send out notices of the said meetings referred to above.

(g) That the quorum for the meeting of the Secured Creditors of the applicant Company shall be 2(two) secured creditors of the applicant Company present in person or proxy.

(h) That the quorum for the meeting of the Unsecured Creditors of the applicant Company shall be 10(ten) Unsecured creditors of the applicant Company present in person or proxy.

(i) That voting by proxy is permitted provided that the proxy in the prescribed form and duly signed by the person entitled to attend and vote at the aforesaid meeting(s) or by his authorized representative, is filed with the applicant – Company at its registered Office at Dharmsinh Park, N.H. 8, P.B. No. 3, Nadiad – 387 002, Gujarat, India, not later than 48 hours before the date of the meeting(s).

(j) That the value of the secured and unsecured creditors, shall be in accordance with the records or registers of the Applicant Company and where the entries in the records or registers are disputed, the Chairman(s) of the meeting(s) shall determine the value or number as the case may be for the purpose of the meeting and his decision in that behalf would be final.

(k) That the Chairman(s) do report to this Court, the result of the said meeting within 7 days of the conclusion of the meeting(s) and the said Report(s) shall be verified by

his affidavit.

The Company Application is disposed of.

[M.R.Shah, J.]

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